

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Estimate of the growth of the agricultural sector 2013

Report Categories:

Agriculture in the News

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Report Highlights:

The Office of Agricultural Research and Policies (ODEPA), of the Ministry of Agriculture, released projections of between 1.5 and 2 percent growth for the agricultural sector in 2013. Almost 20 percent of Chile's population work in the Agriculture sector and it is the most important contributor to Chile's economy after mining.

Executive Summary:

Chile's Agriculture Sector projected to grow between 1.5 and 2 percent in 2013

The Office of Agricultural Research and Policies (ODEPA), of the Ministry of Agriculture, released projections of between 1.5 and 2 percent growth for the agricultural sector in 2013. Almost 20 percent of Chile's population work in the Agriculture sector and it is the most important contributor to Chile's economy after mining.

Examining the data by sector, row crops will grow about 8 percent which represents over 13 percent of the sector's GDP. In the case of vegetables, this sector may lose momentum due to climatic effects in some regions and growth could be close to zero. Orchards and vineyards should show growth close to 1 percent, while the livestock sector may not expand at all. Meanwhile, the forestry sector is estimated to grow around 5 percent, and represents 20 percent in the total Ag sector. Therefore, the growth of the sector, according to ODEPA would be around 2% for 2013. It should be noted that the sector improved by 3.7 percentage points compared to the same quarter last year.

The Minister of Agriculture, Luis Mayol, stated that "it is important to remember that earlier this year, when analyzing the production figures of fresh fruit, ODEPA said there was a delay in the harvest due to adverse weather conditions but that they would recover at the end of the production, and this is exactly what happened."

Mayol explained that there is an important distinction between the GDP of the sector, expressed in pesos or dollars but measured volume produced (price multiplied by the previous year according to the reference Compilation 2008) and exports of each item.

"According to these figures, we are very optimistic about what will happen in agriculture this year and I encourage all producers to work even harder in order to continue to increase production and profitability in each category," concluded the Minister.

source: La Segunda on line, 07/10/2013